

LIMITED-SOURCES JUSTIFICATION

1. Contracting Activity: Department of Veterans Affairs (VA)
Office of Acquisition Operations
Technology Acquisition Center
23 Christopher Way
Eatontown, NJ 07724
2. Description of Action: The proposed action is for a firm-fixed-price task order to be issued under the General Services Administration (GSA) Information Technology (IT) Federal Supply Schedule (FSS) 70.
3. Description of the Supplies or Services: VA, Office of Information and Technology, Service Delivery and Engineering, Enterprise Systems Engineering, Core Infrastructure Services has a requirement for brand name Hughes Identification Devices (HID) Global's ActivIdentity (AI) enhanced engineering and implementation/integration support services to support implementation of VA's Personal Identity Verification (PIV) Card Management System (CMS) Version 4.3 software. The required CMS enhanced support services will ensure currency, reliability, and stability of the CMS environment which is based on HID AI brand name software owned by VA. The required services include testing, configuring, integrating, and implementing an upgraded version of CMS into the PIV test, pre-production, and production environments. The scope of this effort also includes HID Global engineering analysis support for all major issues affecting CMS or PIV card production for VA, and the deployment of a Disaster Recovery environment within VA. The period of performance shall be 12 months from date of contract award.
4. Authority: This acquisition is conducted under the authority of the Multiple-Award Schedule Program. The specific authority providing for a limited source award is Federal Acquisition Regulation (FAR) 8.405-6(a)(1)(i)(B), "Only one source is capable of providing the supplies or services required at the level of quality required because the supplies or services are unique or highly specialized."
5. Rationale Supporting Use of Authority Cited Above: Based on the market research, as discussed in section 8 of this justification, there is an expectation of limited competition through resellers of the required brand name services. VA previously procured software licenses and deployed a highly customized installation of a proprietary HID AI solution for PIV CMS in 2009. The HID AI CMS software is installed on about 450,000 computers within VA to allow user workstations or laptops to successfully read encrypted information stored on the device using a PIV smart card. HID AI is a highly configurable software suite of products that has been modified and upgraded on a regular basis to support CMS.

CMS Enhanced Support

While another vendor can provide general integration services for a non-proprietary software application, only HID brand services can provide the required testing, configuration, implementation, integration, and engineering analysis support required by the Government for the AI software application as HID is the Original Software developer (OSD). The AI software suite that is deployed, as described above, is proprietary to HID, of which the Government does not own the rights. Only HID, through an authorized reseller, has access to the proprietary HID proprietary source code. HID restricts access to all other vendors. Access to the source code is required for the integration and implementation to be successful as the CMS version 4.3 integration will require modifying the source code of AI software for implementation into the PIV environment. Therefore, since no other vendor has access to this source code which is required to successfully integrate and implement CMS version 4.3, only an HID authorized reseller's support will meet VA's requirements.

Without the procurement of these services, the current instance of the CMS Application will be unable to support PIV card production and would result in encrypted data instability and application unavailability. Additionally, VA will not have the ability to update to the latest version of the CMS application in a timely fashion which provides needed functionality for the internal migration of VA's encryption Certificate Authority scheduled within the next 12 months.

6. Efforts to Obtain Competition: Market research was conducted, details of which are in the market research section of this document. This effort did not yield any additional service offerings that can meet the Government's requirements. It was determined however that limited competition is viable among authorized resellers for this required brand name services. This justification will be posted on the Federal Business Opportunities Page with the applicable award notice in accordance with FAR 8.405-6(a)(2) with 14 days of award and the ordering activity will post this justification along with the Request for Quotation to the GSA e-Buy website in accordance with FAR 8.405-6(b)(3).

7. Actions to Increase Competition: The Government will continue to conduct market research to ascertain if there are changes in the market place that would enable future actions to be competed.

8. Market Research: Market Research was conducted in June 2015 to determine if another source could provide the required services. The Government's technical experts reviewed software with similar capabilities to the existing CMS software; specifically products manufactured by RFID Connect, SCB Solution, Sentinel Technology, Intercede, Dexa Systems, and neXus Group. While this software is similar in nature, due to the existing CMS software code being proprietary to HID, as discussed in section 5 above, these vendors are unable to provide the required support. Only HID

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Corporation, through its authorized resellers has the ability to support the existing integrated CMS suite of software products deployed in VA.

Additionally, in July 2015, the Government reviewed the GSA eLibrary and contacted HID to identify any available resellers. Based on these discussions, it was discovered that there are multiple resellers of the required brand name HID services that hold current GSA IT FSS 70 contracts. However, since the majority of the effort requires the awardee to utilize the OSD to perform more than 50 percent of the required services, this acquisition cannot be set-aside on GSA IT FSS 70 for Small Business concerns. Accordingly, the solicitation will be released to all GSA IT FSS 70 contract holders and limited competition anticipated for this requirement.

9. Other Facts: None.